

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

MAGTEN ASSET MANAGEMENT CORPORATION and LAW DEBENTURE TRUST COMPANY OF NEW YORK, v. NORTHWESTERN CORPORATION, Defendant.	Plaintiffs, C.A. No. 04-1494-JJF
MAGTEN ASSET MANAGEMENT CORPORATION, v. MIKE J. HANSON and ERNIE J. KINDT Defendants.	Plaintiffs, C.A. No. 05-0499-JJF

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

JOSEPH D. PIZZURRO, being duly sworn, deposes and says:

1. I have been admitted pro hac vice to the bar of this Court and am a member of the firm of Curtis, Mallet-Prevost, Colt & Mosle LLP, counsel for defendant NorthWestern Corporation (“NorthWestern”) in the above-referenced action. I submit this affidavit in support of the Joint Motion of Defendants NorthWestern Corporation, Michael J. Hanson and Ernie J. Kindt pursuant to Fed. R. Civ. P. 26(c) and Local Rule 30.2 for a Protective Order.

2. On March 14, 2007, John Brewer, counsel to plaintiff Magten Asset Management Corporation ("Magten"), wrote to defendants' counsel stating that plaintiffs intended to take the depositions of Messrs. Hanson and Kindt as well as NorthWestern employees Thielbar and Kliewer during the weeks of April 16 and 23 and asked for convenient dates in those two weeks. A copy of that letter is attached as Exhibit A.

3. Subsequently I had a conversation with Bonnie Steingart, also counsel to Magten, where she suggested that those depositions, as well as the depositions of the various non-parties subpoenaed by plaintiffs, be clustered during those weeks in cities to avoid travel as much as possible. I agreed with that approach and subsequently suggested that, because plaintiffs had noticed Mr. Lewis in Minneapolis on April 17 that the defendants, as a concession to plaintiffs, would be willing to bring Messrs. Hanson, Kindt and Kliewer to Minneapolis that same week, and not insist that they be deposed in Sioux Falls, South Dakota. I proposed that we try to cluster other depositions the following week in Chicago because plaintiffs had subpoenaed Mr. Drook for April 25 in Chicago. I also suggested that many of the remaining depositions, including Talton Embry, Bank of New York and Deloitte & Touche, could be done the week of April 30 in New York.

4. Ms. Steingart was generally agreeable with this approach and told me that she was not sure whether she would be taking the depositions of Mr. Thielbar, Mr. Kliewer or the Bank of New York and asked if we could move those depositions to the end of the schedule.

5. On or about April 9, we learned from Plaintiffs that the schedule we had discussed had to be changed because John Snellings, counsel for plaintiff Law Debenture Trust Company of New York, was not available for 5 of the 10 days during the last two weeks in April which plaintiffs had originally proposed for depositions.

6. After learning of Mr. Snellings limited availability, I worked with counsel for Messrs. Hanson and Kindt to determine alternative dates for the depositions of NorthWestern's officers and employees. In the midst of this, plaintiffs unilaterally announced that they were withdrawing the non-party deposition scheduled for April 17 in Minneapolis. Further, plaintiffs demanded that the depositions of NorthWestern's witnesses take place in New York or Delaware and that those depositions remain open until plaintiffs' issues with NorthWestern's privilege designations are resolved.

7. I objected to the location of the depositions of Messrs. Hanson and Kindt in New York or Delaware. As a compromise, I offered that their depositions take place in Minneapolis. Ms. Steingart and I had a subsequent conversation during the week of April 9, 2007. We discussed the possibility of bringing Messrs. Hanson and Kindt to Chicago to be deposed after Mr. Drook's deposition, which was scheduled for that city on April 25. However, Ms. Steingart also requested that we agree that Messrs. Hanson and Kindt would have to be redeposed if the Court ruled that plaintiffs were entitled to certain documents as to which NorthWestern had asserted a privilege. I stated that under no circumstances would defendants agree that Messrs. Hanson and Kindt could be deposed more than once. On April 11, 2007 I sent Ms. Steingart a letter setting forth our position on the scheduling of depositions. A copy of this letter is attached as Exhibit B.

8. On April 12, 2007, Plaintiff Magten served Defendants with deposition notices for Mr. Hanson and Mr. Kindt for April 23 and 24, respectively, in Wilmington, Delaware. Copies of the deposition notices are attached as Exhibit C.

9. I am informed that, during this same period of time, counsel for Messrs. Hanson and Kindt were having discussions with counsel for Plaintiffs regarding Mr. Hanson's availability. I am informed that prior to April 12, 2007, counsel for Mr. Hanson told counsel for Magten that Mr. Hanson could not be available to be deposed on April 23. However, Mr. Hanson was available on April 26. A copy of an email dated April 5, 2007 from Kimberly A. Beatty, counsel to Messrs. Hanson and Kindt, is attached as Exhibit D.

10. I had another conversation with Ms. Steingart concerning these issues on April 18, 2007. We again discussed the possibility of having Messrs. Hanson and Kindt be deposed in Chicago the week of April 23, 2007. I told her again that we could not agree unless they were deposed only once, and told her that, if we could not reach agreement we were prepared to file this Motion for a Protective Order. We could not reach an agreement, and Ms. Steingart subsequently sent me an email on this issue, a copy of which is attached as Exhibit E.

11. Attached hereto as Exhibit F is the Affidavit of Michael J. Hanson dated April 19, 2007.

12. Attached hereto as Exhibit G is the Affidavit of Ernie J. Kindt dated April 19, 2007.

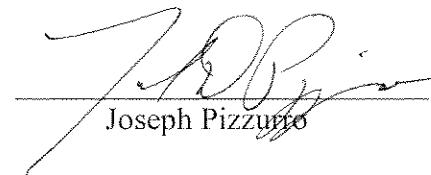
13. I am informed that Bart Thielbar is the former Vice President of NorthWestern Communications Solutions ("NCS"), an operating division of NorthWestern, and former Senior Vice President of Information Technology and Chief Information Officer of NorthWestern Energy. He is now Director, Special Projects for NorthWestern. I am informed that Mr. Thielbar resides in Minnesota but works in Sioux Falls, South Dakota.

14. I am informed that Kendall Kliewer is the Vice President, Controller of NorthWestern and works and resides in Sioux Falls, South Dakota.

15. Attached as Exhibit H are pages 1 through 20 of the transcript of the deposition of Talton Embry dated July 27, 2004 in In re: NorthWestern Corp., 03-12872.

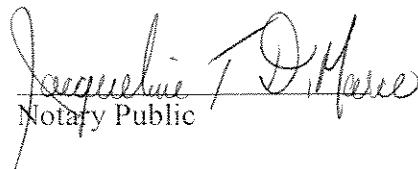
16. Attached as Exhibit I is Magten's Response to Interrogatory 22 propounded by defendants Hanson and Kindt.

17. Attached as Exhibit J are selected documents produced by Magten to defendants Hanson and Kindt regarding certain of Magten's purchases of QUIPS.



Joseph Pizzurro

Sworn to before me
this 19 day of April 2007



Jacqueline T. Dimarco
Notary Public

JACQUELINE T. DIMARCO
Notary Public, State of New York
No. 31-4841199
Qualified in New York County
Commission Expires Oct. 31, 2009

EXHIBIT A

Fried, Frank, Harris, Shriver & Jacobson LLP

One New York Plaza
New York, New York 10004-1980
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Fax: +1.212.859.4000
www.friedfrank.com



Direct Line: 212.859.8736
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brewejo@ffhsj.com

March 14, 2007

Joseph D. Pizzuro
Curtis, Mallet-Prevost, Colt & Mosle LLP
101 Park Avenue
New York, NY 10178

Stanley T. Kaleczyc
Kimberly A. Beatty.
Browning, Kaleczyc, Berry & Hoven, P.C.
139 North Last Chance Gulch
Helena, MT 59601

Re: Magten Litigation -- Deposition Scheduling

Dear Counsel:

We intend to begin serving deposition notices in the near term. To minimize inconvenience to all concerned, please provide us with dates during the weeks beginning April 16 and 23 that would be convenient for Mr. Hanson, Mr. Kindt, NorthWestern employee Kendall Kliewer, and NorthWestern employee Bart Thielbar to be deposed in Wilmington. We would be happy to hold the depositions in New York rather than Wilmington if you would prefer, and might be able to take Mr. Thielbar's deposition towards the end of the week of the 9th if that would be helpful.

We also intend to take the deposition of a 30(b)(6) designee of NorthWestern in the same general time period. We will provide you with a formal 30(b)(6) notice of topics, but for your planning purposes you should assume the relevant topics will generally include the subject matter of our interrogatories and requests to admit, as well as NorthWestern's response to our document requests and the factual content of the recent SEC settlement.

Very truly yours,

John W. Brewer

JWB:ner

EXHIBIT B

CURTIS, MALLET-PREVOST, COLT & MOSLE LLP

FRANKFURT MUSCAT
HOUSTON PARIS
LONDON STAMFORD
MEXICO CITY WASHINGTON, D.C.
MILAN

ATTORNEYS AND COUNSELLORS AT LAW
101 PARK AVENUE
NEW YORK, NEW YORK 10178-0061

TELEPHONE 212-696-6000
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INTERNET WWW.CMP.COM

WRITER'S DIRECT:
TEL.: 212-696-6196

April 11, 2007

Bonnie Steingart, Esq.
Fried, Frank, Harris, Shriver & Jacobson LLP
One New York Plaza
New York, NY 10004-1980

Re: *Magten Asset Management Corp. and Law
Debenture Trust Co. v. NorthWestern Corp.;*
C.A. No. 04-1494-JJF

Dear Bonnie:

We write as counsel to NorthWestern and on behalf of counsel for Messrs. Hanson and Kindt, in response to your email of last evening. It's unfortunate that we seem to have reached an impasse on some of the scheduling issues for the depositions. However, the problems that have arisen are entirely the fault of Plaintiffs.

John Brewer wrote to Defendants' counsel on March 14 stating that Plaintiffs intended to take the depositions of Messrs. Hanson and Kindt as well as NorthWestern employees Thielbar and Kliewer during the weeks of April 16 and 23 and asked for convenient dates in those two weeks. Subsequently you and I had a conversation where you suggested that those depositions, as well as the depositions of the various non-parties subpoenaed by Plaintiffs, be clustered during those weeks in cities to avoid travel as much as possible. I agreed with that approach and subsequently suggested that, because Plaintiffs had noticed Mr. Lewis in Minneapolis on April 17 that the defendants, as a concession to Plaintiffs, would be willing to bring Messrs. Hanson, Kindt and Kliewer to Minneapolis that same week, and not insist that they be deposed in Sioux Falls, South Dakota. I made it clear that Mr. Hanson's availability that week was limited to the 18th. I proposed that we try to cluster other depositions the following week in Chicago because you had subpoenaed Mr. Drook for April 25 in Chicago. I also suggested that many of the remaining depositions, including Talton Embry, Bank of New York and Deloitte & Touche, could be done the week of April 30 in New York. You were generally agreeable with this approach and told me that you were not sure whether you would be taking the depositions of Mr. Thielbar, Mr. Kliewer or the Bank of New York and asked if we could move those depositions to the end of the schedule. However, last week we were informed for the first time that this schedule would not work because John Snelling was not available for most of the

two weeks you originally suggested and which are the two weeks prior to the close of fact discovery. Since then the deposition scheduling process and your cooperation have gone down hill. All alternative schedules proposed by Defendants' counsel have been met with resistance from your side.

Plaintiffs may take Mr. Hanson's deposition in Sioux Falls, South Dakota, the corporate headquarters of NorthWestern, on April 18 and Mr. Kindt's there as well on April 19. As you are aware, the case law is clear that, regardless of the place of the forum, a corporate defendant is entitled to have its corporate representatives deposed at the corporate headquarters. However, we are still willing to make Mr. Hanson available in Minneapolis on April 18. As I told you earlier, as chief executive officer of NorthWestern he is quite busy these days and has no time to travel to the east coast. Mr. Kindt will also be made available in Minneapolis on April 19. Mr. Snelling's scheduling issue with this latter date should not pose a problem in as much as his client has asserted no claim against Mr. Kindt.

We do not agree that any of the depositions will remain open until the issue of privilege is resolved. The issue of whether documents which may have been produced to the SEC are still subject to a claim of privilege is one in which was raised in correspondence between you and me as early as December, and was mentioned again in front of the Special Master in January. You have had our privilege log now for over two weeks. This issue could have been raised by Plaintiffs in a motion long ago.

Counsel for Messrs. Hanson and Kindt have suggested several dates for Mr. Embry's deposition. Each time, we have all been told that he is not available on the date suggested. As you have previously been informed, Mr. Kaleczyc, lead trial counsel for Messrs. Hanson and Kindt, is not available the weeks of May 7, 14 or 21 due to other trial schedules, and therefore, Mr. Embry's deposition must take place before that time. In a last effort to be cooperative, counsel for Messrs. Hanson and Kindt were prepared to offer to depose Mr. Embry in New York City on either April 23 or April 30 at your election; however, as we were preparing this letter to you, we received John Brewer's email informing us that you have now unilaterally scheduled Mr. Fresia's deposition for April 30. Therefore, Mr. Embry's deposition will be noticed for April 23.

Finally, we must address the other eight witnesses that you have indicated you want to depose, some of whom you have previously noticed for depositions. You have informed us that Mr. Fresia, currently scheduled for May 1 in Denver, is not available that date and therefore must be rescheduled; we now understand that you have unilaterally rescheduled this deposition for April 30, which again is contrary to the notion that we would attempt to cluster depositions in various cities. We are also informed that the American Appraisal witness, to the extent you still want to depose him, is located in New Jersey, and therefore must be rescheduled. Richard Hylland's deposition is currently set for May 2 in Minneapolis, and is set simultaneously with the date for the deposition of the Bank of New York which is scheduled for New York. You have informed us that you will be canceling Mr. Lewis' deposition for April 17, but have not suggested an alternative date or location. You have also informed us that you may want to reschedule the Deloitte & Touche deposition for a later date to allow you time to review their

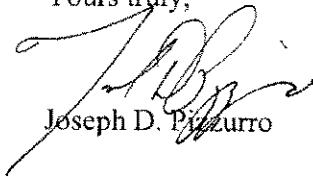
CURTIS, MALLET-PREVOST, COLT & MOSLE LLP
ATTORNEYS AND COUNSELLORS AT LAW

Page 3

Bonnie Steingart, Esq.
April 11, 2007

documents. You have also indicated that you are not sure whether you want to depose Mr. Thielbar or a 30(b)(6) representative of NorthWestern, but that if you do, you want to move them to the end of the schedule. Provided we can work out the scheduling of the above witnesses, we would be willing to extend the close of fact discovery by one week to schedule two depositions during the week of May 6 in Minneapolis.

Yours truly,



Joseph D. Pizzurro

cc: Gary L. Kaplan, Esq.
John W. Brewer, Esq.
Victoria W. Counihan, Esq.
Denise Seastone Kraft, Esq.
Dennis A. Meloro, Esq.
John V. Snellings, Esq.
Dale R. Dubé, Esq.
Stanley T. Kaleczyc, Esq.
Kimberly A. Beatty, Esq.

EXHIBIT C

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

MAGTEN ASSET MANAGEMENT)	
CORPORATION and LAW DEBENTURE)	
TRUST COMPANY OF NEW YORK,)	
)	
Plaintiffs,)	
)	
v.)	C.A. No. 04-1494-(JJF)
)	
NORTHWESTERN CORPORATION,)	
)	
Defendant.)	
)	
<hr/>		
MAGTEN ASSET MANAGEMENT CORP.,)	
)	
Plaintiff,)	
)	
v.)	C.A. Action No. 05-499 (JJF)
)	
MICHAEL J. HANSON and ERNIE J. KINDT,)	
)	
Defendants.)	

TO: Denise Seastone Kraft
Edwards Angell Palmer & Dodge LLP
919 North Market Street
15th Floor
Wilmington, DE 19801

Stanley T. Kaleczyc
Kimberly A. Beatty
Browning, Kaleczyc, Berry & Hoven, P.C.
139 North Last Chance Gulch
P.O. Box 1697
Helena, Mt 59624

NOTICE OF DEPOSITION

PLEASE TAKE NOTICE that Plaintiff Magten Asset Management Corp. will take the deposition of Michael J. Hanson commencing at 9:30 a.m. on April 24, 2007 and continuing until completed, at the offices of Blank Rome LLP, 1201 Market Street, Suite 800, Wilmington, Delaware 19801. The deposition will be taken before a notary public or other officer authorized by law to administer oaths, and may be recorded by stenographic and videographic means.

April 12, 2007

BLANK ROME LLP

/s/ Dale R. Dubé

Dale R. Dubé (DE No. 2863)
Bonnie G. Fatell (DE No. 3809)
David W. Carickhoff (DE No. 3715)
1201 Market Street, Suite 800
Wilmington, DE 19801
Telephone: (302) 425-6400
Facsimile: (302) 425-6464

- and -

**FRIED, FRANK, HARRIS, SHRIVER &
JACOBSON LLP**

Bonnie Steingart
Gary L. Kaplan
John W. Brewer
One New York Plaza
New York, NY 10004
Telephone: (212) 859-8000
Facsimile: (212) 859-4000
Counsel for Magten Asset Management
Corporation

CERTIFICATE OF SERVICE

I hereby certify that on this 12th day of April, 2007, I served by hand delivery and electronic filing the NOTICE OF DEPOSITION using CM/ECF which will send notification of such filing(s) to the following:

BY EMAIL AND HAND DELIVERY

Kathleen M. Miller, Esquire
Smith Katzenstein & Furlow LLP
800 Delaware Avenue
P. O. Box 410
Wilmington, DE 19899

David A. Jenkins, Esquire
Smith Katzenstein & Furlow LLP
800 Delaware Avenue
P. O. Box 410
Wilmington, DE 19899

Victoria Watson Counihan, Esquire
Dennis A. Meloro, Esquire
Greenberg Traurig LLP
The Nemours Building
1007 North Orange Street, Suite 1200
Wilmington, DE 19801

Denise Seastone Kraft, Esquire
Edwards Angell Palmer & Dodge LLP
919 North Market Street, 15th Floor
Wilmington, DE 19801

I also certify that, on this 12th day of April, 2007, I served the aforementioned document, by e-mail and Federal Express, upon the following participants:

BY EMAIL AND FEDERAL EXPRESS

Stanley T. Kaleczyc, Esquire
Kimberly A. Beatty, Esquire
Browning, Kaleczyc, Berry & Hoven, P.C.
139 North Last Chance Gulch
P.O. Box 1697
Helena, Mt 59624

Bijan Amini, Esquire
Avery Samet, Esquire
Bradley F. Silverman, Esquire
Storch Amini & Munves PC
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140 East 45th Street, 25th Floor
New York, New York 10017

Steven J. Reisman, Esquire
Joseph D. Pizzurro, Esquire
Nancy E. Delaney, Esquire
Miriam K. Harwood, Esquire
Curtis, Mallet-Prevost, Colt & Mosle LLP
101 Park Avenue
New York, New York 10178-0061

John V. Snellings, Esquire
Amanda D. Darwin, Esquire
Nixon Peabody LLP
100 Summer Street
Boston, Massachusetts 02110-1832

Dale R. Dubé
Dale R. Dubé (No. 2863)

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

MAGTEN ASSET MANAGEMENT)	
CORPORATION and LAW DEBENTURE)	
TRUST COMPANY OF NEW YORK,)	
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Plaintiffs,)	
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v.)	C.A. No. 04-1494-(JJF)
)	
NORTHWESTERN CORPORATION,)	
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Defendant.)	
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MAGTEN ASSET MANAGEMENT CORP.,)	
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Plaintiff,)	
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v.)	C.A. Action No. 05-499 (JJF)
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MICHAEL J. HANSON and ERNIE J. KINDT,)	
)	
)	
Defendants.)	
)	

TO: Denise Seastone Kraft
Edwards Angell Palmer & Dodge LLP
919 North Market Street
15th Floor
Wilmington, DE 19801

Stanley T. Kaleczyc
Kimberly A. Beatty
Browning, Kaleczyc, Berry & Hoven, P.C.
139 North Last Chance Gulch
P.O. Box 1697
Helena, Mt 59624

NOTICE OF DEPOSITION

PLEASE TAKE NOTICE that Plaintiff Magten Asset Management Corp. will take the deposition of Ernie J. Kindt commencing at 9:30 a.m. on April 23, 2007 and continuing until completed, at the offices of Blank Rome LLP, 1201 Market Street, Suite 800, Wilmington, Delaware 19801. The deposition will be taken before a notary public or other officer authorized by law to administer oaths, and may be recorded by stenographic and videographic means.

April 12, 2007

BLANK ROME LLP

/s/ Dale R. Dubé

Dale R. Dubé (DE No. 2863)
Bonnie G. Fatell (DE No. 3809)
David W. Carickhoff (DE No. 3715)
1201 Market Street, Suite 800
Wilmington, DE 19801
Telephone: (302) 425-6400
Facsimile: (302) 425-6464

- and -

**FRIED, FRANK, HARRIS, SHRIVER &
JACOBSON LLP**

Bonnie Steingart
Gary L. Kaplan
John W. Brewer
One New York Plaza
New York, NY 10004
Telephone: (212) 859-8000
Facsimile: (212) 859-4000
Counsel for Magten Asset Management
Corporation

CERTIFICATE OF SERVICE

I hereby certify that on this 12th day of April, 2007, I served by hand delivery and electronic filing the NOTICE OF DEPOSITION using CM/ECF which will send notification of such filing(s) to the following:

BY EMAIL AND HAND DELIVERY

Kathleen M. Miller, Esquire
 Smith Katzenstein & Furlow LLP
 800 Delaware Avenue
 P. O. Box 410
 Wilmington, DE 19899

David A. Jenkins, Esquire
 Smith Katzenstein & Furlow LLP
 800 Delaware Avenue
 P. O. Box 410
 Wilmington, DE 19899

Victoria Watson Counihan, Esquire
 Dennis A. Meloro, Esquire
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 Wilmington, DE 19801

Denise Seastone Kraft, Esquire
 Edwards Angell Palmer & Dodge LLP
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 Wilmington, DE 19801

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 Joseph D. Pizzurro, Esquire
 Nancy E. Delaney, Esquire
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 101 Park Avenue
 New York, New York 10178-0061

John V. Snellings, Esquire
 Amanda D. Darwin, Esquire
 Nixon Peabody LLP
 100 Summer Street
 Boston, Massachusetts 02110-1832

Dale R. Dubé (No. 2863)

EXHIBIT D

Pizzurro, Joseph D.

From: KIM Beatty [KIM@bkbh.com]
Sent: Thursday, April 05, 2007 6:27 PM
To: Delaney, Nancy E.; John W. Brewer
Cc: STAN Kaleczyc; Gary Kaplan; Bonnie Steingart; jsnellings@nixonpeabody.com
Subject: RE: Orme Deposition

Counsel:

In light of John Snelling's email of a few days ago indicating he could only attend depositions the week of April 16 "at great expense" and as supplemented by Bonnie's email indicating the names of three witnesses she might not want to depose afterall, we took the initiative to try to come up with a proposal that (1) minimizes the number of depositions to be conducted during the week of April 16 and (2) switch the order of the depositions so that the depositions that John and Bonnie indicated were "key" depositions requiring John's participation could be scheduled during the weeks John was available.

Therefore, after consulting with NorthWestern's counsel as to the available dates for their witnesses, we propose the following schedule:

Atlanta: April 12, 2007 Kip Orme

Chicago: April 18, 2007 American Appraisal (Chicago)
 April 19, 2007 Drook (Chicago)

Minn/Denver: April 24, 2007 Hylland
 April 25, 2007 Kindt
 April 26, 2007 Hanson
 April 27, 2007 Friesa (Denver)

New York: May 1, 2007 Deloitte & Touche
 May 2, 2007 Bank of New York
 May 3, 2007 Talton Embry

Minneapolis: May 8, 2007 Lewis
 May 9, 2007 Thielbar
 May 10, 2007 Kliewer

However, not wanting to suggest a schedule where other witnesses would not be available, we tried to contact counsel for Hylland, Drook, Thielbar, and Lewis to see if they would each be amenable to the switch in deposition dates. Thielbar's counsel agreed to a deposition during the week of May 7; Hylland's counsel is on vacation this week; Drook's counsel has not returned the message left; and Lewis' counsel responded that Lewis was not available at any time between mid-April and the end of May and therefore would only appear on the date set forth in the Subpoena sent by Magten: April 17 in Minneapolis.

Therefore, we are at a loss as to what schedule to propose that will accommodate the needs of all counsel. Mr. Hanson and Mr. Kindt are available only on the dates we have previously suggested (April 18 and 19) and the dates set forth in the above proposal (April 25 and 26). We would like to cluster depositions in appropriate cities to minimize travel which cris-crosses the country. Due to our other trial schedules in May, we cannot push depositions past May 10; and we are not agreeable to conducting multiple depositions in several different cities on the same day. Because time is now running very short and we would all like to finalize the deposition schedule, we await input and suggestions from each of you.

Sincerely,

Kimberly A. Beatty
 Browning, Kaleczyc, Berry & Hoven, P.C.
 139 North Last Chance Gulch
 Helena, MT 59601

EXHIBIT E

Pizzurro, Joseph D.

From: Steingart, Bonnie [SteinBo@friedfrank.com]
Sent: Wednesday, April 18, 2007 4:56 PM
To: Pizzurro, Joseph D.
Subject: RE: Update re Friesa Deposition

I do not want to leave you with a misimpression about the depositions. While we could agree to try to put off the depositions until the court may decide on the claims of privilege, it is important to complete the deposition of Mr. Hanson as soon as possible. Mr. Hanson must be produced by Northwestern regardless of his testimony as a party to the other lawsuit. So to the extent that Mr. Hanson is not deposed on either April 26 or April 27, his deposition must be scheduled within the time remaining for fact discovery or within some modest extension thereof to accommodate his schedule. If you or his other counsel agree to a reasonable schedule, we are willing to withdraw the notices served on Messrs. Hanson and Kindt. If you are unable to suggest such a schedule, I guess you have no choice but to move for a protective order. As to the third parties, John Brewer will get back to you about that schedule tomorrow. We are trying to contact them to see if some movement of dates is possible so that we can use all available documents with them.

-----Original Message-----

From: Pizzurro, Joseph D. [mailto:jpizzurro@cm-p.com]
 Sent: Wednesday, April 18, 2007 3:46 PM
 To: Brewer, John W.; Steingart, Bonnie; Delaney, Nancy E.; John V. Snellings Esq. (E-mail); Kaplan, Gary; Nadritch, Jordanna
 Cc: Stanley T. Kaleczyc Esq. (E-mail); Kimberly A. Beatty Esq. (E-mail); Bagnato, Jennifer A.
 Subject: RE: Update re Friesa Deposition

John,
 With all the changes could you let us all know what depositions are still scheduled to go forward and on what dates. Thanks

Joseph D. Pizzurro
 Curtis, Mallet-Prevost, Colt & Mosle LLP
 101 Park Avenue
 New York, NY 10178
 Tel: 212 696 6196
 Fax: 212 697 1559
 Email: jpizzurro@cm-p.com

-----Original Message-----

From: Brewer, John W. [mailto:BreweJo@friedfrank.com]
 Sent: Wednesday, April 18, 2007 3:27 PM
 To: Steingart, Bonnie; Delaney, Nancy E.; John V. Snellings Esq. (E-mail); Kaplan, Gary; Nadritch, Jordanna
 Cc: Stanley T. Kaleczyc Esq. (E-mail); Kimberly A. Beatty Esq. (E-mail); Pizzurro, Joseph D.; Bagnato, Jennifer A.
 Subject: Update re Friesa Deposition

Dear Counsel:

You will recall that in a series of emails last week I advised you that the originally-noticed May 1 date for Rick Fresia had become problematic and then (following a series of communications with Mr. Fresia's counsel) that April 30 was a firm date for Mr. Fresia's deposition. Unfortunately, subsequent developments have made the April 30 date problematic as well. In particular, we have been advised that

EXHIBIT F

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

MAGTEN ASSET MANAGEMENT CORPORATION, Plaintiff, v. MIKE J. HANSON and ERNIE J. KINDT Defendants.	Civil Action No. 05-499-JJF AFFIDAVIT OF MICHAEL J. HANSON
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STATE OF SOUTH DAKOTA)

:ss

County of Minnehaha)

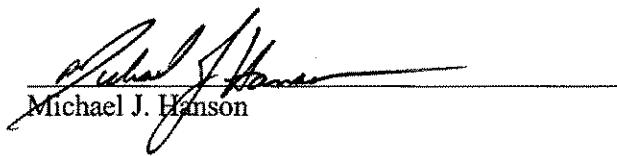
MICHAEL J. HANSON, first being duly sworn upon his oath deposes and says:

1. I live in rural Sioux Falls, South Dakota.
2. At all times material to the Complaint in this action, I served as an officer of Clark Fork and Blackfoot, LLC, and was employed by NorthWestern Corporation, working in Sioux Falls, South Dakota.
3. I currently serve as the President & CEO for NorthWestern Corporation. NorthWestern Corporation is headquartered in Sioux Falls, South Dakota. I work in NorthWestern's Sioux Falls' headquarters.
4. NorthWestern Corporation utilizes approximately 1,350 employees to serve approximately 640,000 customers. NorthWestern Corporation operates in South Dakota, Nebraska, and Montana. As CEO of this large and complex publicly traded organization, I am required to spend as much time governing our operations as possible. These obligations required that I spend the majority of my time in the

corporate headquarters in Sioux Falls, or in the Montana headquarters in Butte, Montana. Because the corporation also operates in Nebraska, I make periodic trips to Nebraska as well. In addition to my daily management responsibilities, NorthWestern Corporation is presently in the middle of an acquisition transaction. The impending sale of NorthWestern Corporation requires me to devote additional time and attention to these matters, further impairing my ability to travel away from the corporate headquarters to give a deposition.

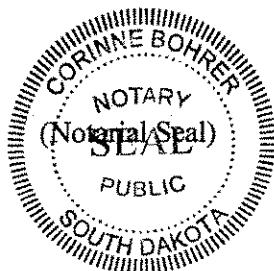
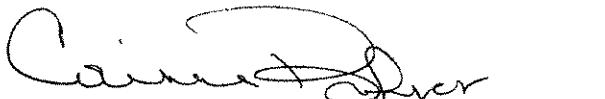
5. Because of my schedule, I am not available to be deposed on April 24, 2007 in any location. However, a deposition in Delaware would create an intractable conflict in my schedule as the travel time would impact several other obligations.
6. It would be unduly burdensome for the Plaintiff to force me to travel to Wilmington, Delaware to the deposition. Wilmington is well over a thousand miles from Sioux Falls. There are no direct airline flights from Sioux Falls to Wilmington, or any other city on the East Coast. As a result, any trip from Sioux Falls to Wilmington will be composed of long flights, multiple stops and significant layovers. Upon information and belief, the average air travel time from Sioux Falls, South Dakota to Wilmington, Delaware is 9 to 10 hours.
7. As a result, giving my deposition in Wilmington, Delaware will require me to travel and be away from my home and my work for a minimum of three days.
8. Given the demands of my daily management responsibilities at NorthWestern Corporation, my already full schedule, and the impending sale of the company, it would be extremely disruptive to have to travel from South Dakota to Delaware to attend a deposition. This hardship is only exacerbated if the Plaintiffs in this litigation are permitted to depose me on two separate occasions as they are currently demanding.

Further your affiant sayeth not.



Michael J. Hanson

Subscribed and sworn to before me this 19th day of April, 2007.

Corinne Bohrer

Notary Public for the State of South Dakota
 Printed Name: Corinne Bohrer
 Residing at: 125 S. Dakota Ave
 My Commission Expires: January 30, 2009

EXHIBIT G

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

MAGTEN ASSET MANAGEMENT CORPORATION, Plaintiff, v. MIKE J. HANSON and ERNIE J. KINDE Defendants.	Civil Action No. 05-499-JJF AFFIDAVIT OF ERNEST J. KINDE
---	--

STATE OF MONTANA)

:ss

County of Butte, Silver Bow)

ERNEST J. KINDE, first being duly sworn upon his oath deposes and says:

1. I live in Butte, Montana.
2. At all times material to the Complaint in this action, I was an officer of Clark Fork and Blackfoot, LLC (f/k/a Montana Power LLC and NorthWestern Energy LLC), working in and with its Montana utility business in its Butte, Montana office.
3. Clark Fork and Blackfoot, LLC is a Montana limited liability company with its principal place of business in Butte, Montana, and is a subsidiary of NorthWestern Corporation.

4. NorthWestern Corporation has its principal place of business in Sioux Falls, South Dakota.
5. Between 1975 and 2002, I was employed by The Montana Power Company, working with its Montana electric and gas utility business. When The Montana Power Company sold its utility assets to NorthWestern Corporation in February 2002, I became an employee of NorthWestern Energy LLC, and after November 15, 2002 I became an employee of NorthWestern Corporation. At all times I was employed in the Butte, Montana office.
6. I retired from active employment with NorthWestern Corporation on or about June 30, 2003.
7. I currently work on an independent contract basis for NorthWestern Corporation in the corporation's Butte, Montana office.
8. It is unduly burdensome for me to travel to Wilmington, Delaware to give my deposition in these matters. Wilmington, Delaware is more than two thousand miles from Butte, Montana. There are no direct airline flights from Butte to Wilmington, or any airport in the vicinity of Wilmington. In fact, airline carriers servicing Butte fly directly only to Bozeman, Montana, Salt Lake City, Utah, and Seattle, Washington. As a result, any trip from Butte to Wilmington will be composed of long flights, multiple stops and numerous layovers. Upon information and belief, the average flight time from Butte, Montana to Wilmington, Delaware is approximately 12 and a half hours.
9. Due to Montana's relatively remote location and the fact that limited airline carriers service Montana generally, and fewer service Butte, specifically, it will take me a full day to travel to Wilmington and a full day to travel home. As a result, giving my deposition in Wilmington, Delaware will require me to travel and be away from my home and my work for a minimum of three days.

Further your affiant sayeth not.

Ernest J. Kindt
Ernest J. Kindt

Subscribed and sworn to before me this 19th day of April, 2007.

Tracy Lowney Killoy
Notary Public for the State of Montana
Printed Name: TRACY LOWNEY KILLOY
Residing at: Butte Montana
My Commission Expires: 9-08-2008

(Notarial Seal)

EXHIBIT H

Talton Embry
July 27, 2004

Page 1	Page 3
<p>UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE</p> <p>In re: Chapter 11 Case No. NORTHWESTERN CORPORATION, Debtor, 03-12872 (CGC)</p> <p>July 27, 2004 11:59 A.M.</p> <p>Deposition of MAGTEN ASSET MANAGEMENT GROUP, by TALTON EMBRY, taken by Debtor, pursuant to Notice and Agreement, at the offices of Paul, Hastings, Janofsky & Walker LLP, 75 East 55th Street, New York, New York 10022 before Anneliese R. Tursi, a Registered Professional Reporter and Notary Public within and for the State of New York.</p>	<p>1 T. Embry 2 T A L T O N E M B R Y, 3 having been first duly sworn by the 4 Notary Public (Anneliese R. Tursi), was 5 examined and testified as follows: 6 EXAMINATION BY MR. COUSINS: 7 Q. My name is Scott Cousins. 8 Could you state your full name 9 for the record, please. 10 A. Talton, T-A-L-T-O-N, Robert, 11 R-O-B-E-R-T, Embry, E-M-B-R-Y. 12 Q. Mr. Embry, could I have your 13 business address and phone number, please? 14 A. 410 Park Avenue, 14th floor, New 15 York, New York, 10022. 212-813-0900. 16 Q. And by whom are you employed? 17 A. I'm not employed. 18 Q. Are you a consultant? 19 A. No. 20 Q. What are, other than investments, 21 what are your sources of income? 22 MS. STEINGART: I'm sorry, you 23 are asking him working income or 24 wealth? 25 MR. COUSINS: Working income. I</p>
<p>1 APPEARANCES 2 GREENBERG TRAURIG, LLP 3 Attorneys for Debtor 4 Brandywine Building 5 1000 West Street, Suite 1540 6 Wilmington, Delaware 19801 7 BY: SCOTT D. COUSINS, ESO 8 WILLIAM E. CHIPMAN, JR., ESQ</p> <p>9 PAUL, WEISS, RICPKIND, WHARTON & GARRISON LLP 10 Attorneys for Creditors Committee 11 1255 Avenue of the Americas 12 New York, New York 10019-6064 13 BY: MIKHAIL RATNER, ESQ.</p> <p>14 NIXON PEABODY LLP 15 Attorneys for the Law Debenture 16 100 Summer Street 17 Boston, Massachusetts 02110-3131 18 BY: JOHN V. SNELLINGS, ESQ.</p> <p>19 FRIED, FRANK, HARRIS, SHRIVER & JACOBSON, LLP 20 Attorneys for Magten Asset Management 21 One New York Plaza 22 New York, New York 10004-1980 23 BY: BONNIE STEINGART, ESQ. 24 GARY L. KAPLAN, ESO 25 JORDANA NADRITCH, ESO</p> <p>26 ALSO PRESENT 27 THOMAS J. KNAPP 28 NorthWestern 29 Daniel R. Fisher, Esq. 30 Law Debenture</p>	<p>Page 2</p> <p>1 T. Embry 2 don't care about his wealth. 3 MS. STEINGART: Okay. 4 A. None. 5 Q. What is your relationship to 6 Magten? 7 A. I own it. 8 Q. What is your percentage of 9 ownership in Magten? 10 A. 100 percent. 11 Q. Do you have any unpaid positions 12 with Magten? 13 A. I call myself chairman. 14 Q. Do you have any employee or 15 officer positions with Magten? 16 A. I have a secretary. 17 MS. STEINGART: I'm sorry, do you 18 mean does he have positions or did he 19 have others in positions? 20 MR. COUSINS: No, he -- 21 MS. STEINGART: You want to know 22 if he holds any other titles besides 23 chairman in connection with Magten? 24 MR. COUSINS: Yes. 25 A. Not that I'm aware of.</p> <p>Page 4</p>

1 (Pages 1 to 4)

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NVM 006497

Talton Embry
July 27, 2004

		Page 5	Page 7
1	T Embry	1	T. Embry
2	Q. And how many employees does	2	Q. By whom?
3	Magten have?	3	A. Magten Asset Management.
4	A. One.	4	Q. How long have you been with
5	Q. Who is that?	5	Magten?
6	A. Jean Colditz, C-O-L-D-I-T-Z.	6	A. 1978.
7	Q. In what is Jean's position?	7	Q. And since 1978 have you always
8	A. She is a secretary.	8	owned 100 percent of the equity of Magten?
9	Q. Mr. Embry, what did you do to	9	A. No.
10	prepare for today's deposition?	10	Q. In 1978, what was the equity
11	A. I met with my counsel beforehand.	11	ownership of Magten?
12	I went over the documents that I had submitted	12	A. I think I owned 50 percent and a
13	to you, and we talked about what questions	13	fellow, Angus Douglass owned the other 50
14	might be asked.	14	percent.
15	Q. Did you only review the documents	15	Q. When did Mr. Douglass dispose of
16	that were submitted?	16	his interests in Magten?
17	A. I believe that's correct.	17	A. Sometime in the early '80s.
18	Q. Have you ever been deposed	18	Q. Did he transfer that interest to
19	before?	19	you?
20	A. I have.	20	A. Yes.
21	Q. And what context, please?	21	Q. So since the early '80s, you have
22	A. Numerous times.	22	owned 100 percent of Magten?
23	Q. Can you start with the most	23	A. Yes.
24	recent?	24	Q. Now, what was your role with
25	A. I don't know what the most recent	25	respect to the Unocal case?
		Page 6	Page 8
1	T. Embry	1	T. Embry
2	was. I'm sure there have been some between	2	A. I had proffered to buy
3	1993 and today, but I can't remember what they	3	subordinated debt in the new company to be
4	are.	4	formed in the buyout of Unocal.
5	In 1993 I had a disciplinary	5	Q. Did you get embroiled in the
6	action with Securities and Exchange Commission	6	Chance report litigation over Unocal with
7	and was deposed on that.	7	Icahn, is that --
8	During that same time frame, I	8	MS. STEINGART: I object to form.
9	was a witness for the U.S. Attorney's Office	9	Do you want to ask if he was a witness
10	in a securities fraud.	10	or a party in the dispute, maybe that
11	The first time that I can	11	will help.
12	remember being deposed was in the Unocal	12	Q. Why were you asked to testify in
13	takeover, I think, by Carl Icahn going back in	13	connection with Unocal?
14	the '80s.	14	A. Because I had offered to buy some
15	Q. To what did the disciplinary	15	of the subordinated securities of the new
16	action by the S.E.C. relate?	16	company.
17	A. It related to my being -- signing	17	Q. And who deposed you?
18	consent that I had taken an opportunity that	18	A. Skadden Arps.
19	should have been my client's, that I returned	19	Q. Who was -- who was Skadden
20	money that I had made on it, plus interest,	20	representing?
21	and on paper -- my books and records were not	21	A. Unocal.
22	perfect.	22	Q. Did you testify at trial?
23	Q. And were you employed at the time	23	A. No.
24	of this disciplinary action?	24	Q. Does Magten have any affiliates?
25	A. Yes.	25	A. What is an affiliate?

2 (Pages 5 to 8)

Talton Embry
July 27, 2004

Page 9	Page 11
<p>1 T. Embry</p> <p>2 Q. Let me show you a definition of</p> <p>3 affiliate.</p> <p>4 MR. COUSINS: Can you mark as D-1</p> <p>5 a document Order Permitting Securities</p> <p>6 Trading Upon Establishment of Ethical</p> <p>7 Wall in the NorthWestern Corp.</p> <p>8 bankruptcy.</p> <p>9 (Document entitled "Order</p> <p>10 Permitting Securities Trading</p> <p>11 Upon Establishment of Ethical</p> <p>12 Wall (Re: Docket No. 257)" marked</p> <p>13 Debtor's Exhibit 1 for</p> <p>14 identification, as of this date.)</p> <p>15 MS. STEINGART: Do you want to</p> <p>16 direct his attention to something?</p> <p>17 Q. Mr. Embry, if it is easier, the</p> <p>18 reporter will mark it and then both you and</p> <p>19 your counsel can have a copy.</p> <p>20 If you turn to about five pages</p> <p>21 in, there is a page marked "Definitions" and</p> <p>22 there is a definition of affiliate.</p> <p>23 Could you read that definition to</p> <p>24 yourself and let me know if you have an</p> <p>25 understanding as to what an affiliate is?</p>	<p>1 T. Embry</p> <p>2 they have an interest until I ascertain</p> <p>3 if they are publicly reported. I'm not</p> <p>4 going to let him talk about the other</p> <p>5 things.</p> <p>6 If you want to ask him if he</p> <p>7 invests in equities or debt or that</p> <p>8 kind of thing or the full panoply, but</p> <p>9 before we get into other individual</p> <p>10 investments, I would have to consult</p> <p>11 with him.</p> <p>12 MR. COUSINS: I don't know what</p> <p>13 that means.</p> <p>14 Q. What type of investments does</p> <p>15 Magten invest in?</p> <p>16 A. Bonds, preferreds, stocks.</p> <p>17 Q. Does it have any other types of</p> <p>18 investments other than securities?</p> <p>19 A. It has an investment in one</p> <p>20 partnership.</p> <p>21 Q. What is the business of the</p> <p>22 partnership?</p> <p>23 A. Owns athletic clubs.</p> <p>24 Q. What types of bonds does Magten</p> <p>25 invest in?</p>
<p>1 T. Embry</p> <p>2 (Witness and counsel confer.)</p> <p>3 MR. COUSINS: Let the record</p> <p>4 reflect that deponent referred --</p> <p>5 MS. STEINGART: Consulted with</p> <p>6 counsel.</p> <p>7 MR. COUSINS: Consulted with</p> <p>8 counsel.</p> <p>9 A. Not that I'm aware of.</p> <p>10 Q. So that was a response to my</p> <p>11 question, does Magten have any affiliates?</p> <p>12 A. Yes.</p> <p>13 Q. What are your day-to-day duties</p> <p>14 and responsibilities with respect to Magten?</p> <p>15 A. I don't have any duties.</p> <p>16 Q. Do you have any responsibilities?</p> <p>17 A. I invest money.</p> <p>18 Q. What type of business is Magten</p> <p>19 in?</p> <p>20 A. Buys and sells investments.</p> <p>21 Q. Any particular investments?</p> <p>22 MS. STEINGART: Excuse me. You</p> <p>23 want to know what the holdings of</p> <p>24 Magten are, because I'm not going to</p> <p>25 let him describe other things in which</p>	<p>1 T. Embry</p> <p>2 MS. STEINGART: I'm sorry, I</p> <p>3 didn't hear the last word.</p> <p>4 Q. What types of bonds does Magten</p> <p>5 invest in?</p> <p>6 A. Generally lower grade bonds.</p> <p>7 Q. Does Magten invest in any bonds</p> <p>8 that trade at par?</p> <p>9 A. We have.</p> <p>10 Q. Do you currently hold any par</p> <p>11 investments in bonds?</p> <p>12 A. Yes.</p> <p>13 Q. Now, your investment in bonds,</p> <p>14 are those acquired off of exchanges, public</p> <p>15 exchanges?</p> <p>16 A. Is that today?</p> <p>17 Q. Yes.</p> <p>18 A. No.</p> <p>19 Q. The bonds that you currently</p> <p>20 hold, how are they acquired?</p> <p>21 A. Purchased through a broker.</p> <p>22 Q. You mentioned preferred. Were</p> <p>23 you referring to preferred stock or some</p> <p>24 preferred type of debt instrument?</p> <p>25 A. Preferred stock.</p>

3 (Pages 9 to 12)

Talton Embry
July 27, 2004

Page 13	Page 15
1 T. Embry	1 T. Embry
2 Q. Preferred stock that Magten	2 that and I'm not sure that we are or not.
3 currently holds, how was that acquired?	3 Q. Why does Magten invest in lower
4 A. Through open market purchases.	4 grade investments?
5 Q. And does Magten hold any stock	5 A. In the hopes of making a profit.
6 other than preferred?	6 Q. And is Magten profitable?
7 A. Yes.	7 A. No.
8 Q. And how does Magten acquire stock	8 Q. When was the last time Magten was
9 other than preferred?	9 profitable?
10 A. Open market purchases.	10 A. It was profitable last year, but
11 Q. Other than Magten's interest in	11 not the year before.
12 the partnership you referred to, does Magten	12 Q. And for the first six months of
13 hold any other investments other than bonds,	13 2004, has Magten been profitable?
14 preferred stock, stock?	14 A. No.
15 A. Not that I'm aware of.	15 Q. Do you understand the risks
16 Q. When did Magten start investing	16 associated with trading in lower grade
17 in the lower grade securities?	17 investments?
18 A. 1978.	18 MS. STEINGART: Object to the
19 Q. Would you say that Magten is	19 form.
20 experienced in investing in lower grade	20 Q. You can answer.
21 securities?	21 A. Not always.
22 A. I would say that we have done it.	22 Q. You have been in business since
23 Q. Well, you have done it since	23 1978 and you don't understand risks associated
24 1978, right?	24 with trading in lower grade investments?
25 A. Right.	25 MS. STEINGART: Object to the
Page 14	
1 T. Embry	1 T. Embry
2 Q. And you are doing it today,	2 form.
3 right?	3 Q. You can answer.
4 A. Right.	4 A. Repeat the question.
5 Q. You wouldn't say that you are	5 MR. COUSINS: Could you read that
6 experienced in lower grade investments?	6 back, please.
7 A. I may be in the business, but	7 (Record read.)
8 naive.	8 A. Not all of them.
9 Q. So would you consider yourself a	9 Q. Who made the decision for Magten
10 naive investor?	10 to acquire the NorthWestern QUIPS?
11 A. I don't know. Experience is not	11 Do you know what I mean by the
12 a word that I know the exact definition.	12 QUIPS?
13 Q. How would you characterize the	13 A. Yes, I do.
14 acumen of Magten with respect to investments?	14 Q. Who made that decision?
15 A. What do you mean?	15 A. I did.
16 Q. Would you consider yourself a	16 Q. What was that decision based
17 novice?	17 upon?
18 A. No.	18 A. Based upon my review of the
19 Q. Would you consider yourself a	19 company.
20 veteran?	20 Q. And what did you do to review the
21 A. I -- I have been at it a long	21 company?
22 time, yes. Veteran is a good word.	22 A. I read the 10-Q's and 10-K,
23 Q. Would you consider Magten a	23 10-K's, 2001, 2002, and I guess the first
24 sophisticated investor?	24 quarter of 2003.
25 A. There is an exact definition of	25 Q. Did you review the April 1, 2002

4 (Pages 13 to 16)

Talton Embry
July 27, 2004

<p>1 T. Embry</p> <p>2 10-K?</p> <p>3 A. April 1st which year?</p> <p>4 Q. 2002.</p> <p>5 A. I believe so.</p> <p>6 Q. Did you review the April 16, 2003</p> <p>7 10-K?</p> <p>8 A. I can't certify the date, but I</p> <p>9 reviewed the 2002 10-K.</p> <p>10 Q. Well, when you say the 2002 10-K,</p> <p>11 are you talking about the 10-K that came out</p> <p>12 in 2002?</p> <p>13 A. No, 10-K for fiscal year,</p> <p>14 calendar year 2002.</p> <p>15 Q. So you read a 10-K in 2003 that</p> <p>16 related to fiscal year 2002?</p> <p>17 A. Yes, sir.</p> <p>18 Q. Let's talk about due diligence</p> <p>19 that Magten typically performs before making</p> <p>20 an investment.</p> <p>21 Do you normally look at S.E.C.</p> <p>22 filings?</p> <p>23 A. I do.</p> <p>24 Q. Do you review any other public</p> <p>25 filings?</p>	<p>Page 17</p> <p>1 T. Embry</p> <p>2 A. No.</p> <p>3 Q. Is that, you never use outside</p> <p>4 professionals?</p> <p>5 A. I have on other times.</p> <p>6 Q. In connection with the QUIPS, did</p> <p>7 you use outside professionals?</p> <p>8 A. I hired Fried, Frank, Harris</p> <p>9 Shriver & Jacobson.</p> <p>10 Q. You hired them prior to your</p> <p>11 acquisition of the QUIPS?</p> <p>12 A. After my acquisition of the</p> <p>13 QUIPS.</p> <p>14 Q. So in connection with your</p> <p>15 investment in the QUIPS, you were the only</p> <p>16 Magten officer that reviewed the documentation</p> <p>17 prior to investing in the QUIPS?</p> <p>18 MS. STEINGART: I object to the</p> <p>19 form.</p> <p>20 A. Yes.</p> <p>21 Q. Have you ever hired an investment</p> <p>22 banker in connection with a potential</p> <p>23 acquisition?</p> <p>24 MS. STEINGART: A potential</p> <p>25 acquisition?</p>
<p>1 T. Embry</p> <p>2 A. What I'm aware of.</p> <p>3 Q. Do you typically review an</p> <p>4 indenture for indebtedness?</p> <p>5 A. I do.</p> <p>6 Q. And for preferred stock, do you</p> <p>7 typically review the stock certificates with a</p> <p>8 designation of rights?</p> <p>9 MS. STEINGART: Designation of?</p> <p>10 MR. COUSINS: Rights.</p> <p>11 A. It depends upon the situation.</p> <p>12 Q. What is that dependent upon?</p> <p>13 A. It is dependent upon generally</p> <p>14 whether a company is in arrears or not.</p> <p>15 Q. And if a company is in arrears,</p> <p>16 what do you do?</p> <p>17 A. I look to see what the</p> <p>18 consequences of the arrearage is.</p> <p>19 Q. If there is an arrearage, would</p> <p>20 you then look at the stock certificate or</p> <p>21 designation of rights?</p> <p>22 A. Generally, yes.</p> <p>23 Q. Does Magten use outside</p> <p>24 professionals in connection with its review of</p> <p>25 potential investments?</p>	<p>Page 18</p> <p>1 T. Embry</p> <p>2 MR. COUSINS: Yes. Of</p> <p>3 securities.</p> <p>4 A. No.</p> <p>5 Q. Accountants. The same question.</p> <p>6 A. No.</p> <p>7 Q. When did Magten first acquire an</p> <p>8 interest in any of the NorthWestern</p> <p>9 securities?</p> <p>10 A. The end of April 2003.</p> <p>11 Q. And what did Magten acquire?</p> <p>12 A. It acquired shares of preferred</p> <p>13 stock of Montana Power.</p> <p>14 Q. How many shares?</p> <p>15 A. Approximately a million.</p> <p>16 Q. And you acquired those shares</p> <p>17 over the open market?</p> <p>18 A. I did.</p> <p>19 Q. Subsequent to the acquisition of</p> <p>20 the preferred shares, has Magten bought</p> <p>21 additional preferred shares?</p> <p>22 A. I don't -- I don't understand the</p> <p>23 question.</p> <p>24 Q. How many shares of preferred</p> <p>25 shares of NorthWestern does Magten currently</p>

5 (Pages 17 to 20)

EXHIBIT I

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

MAGTEN ASSET MANAGEMENT CORP.)	
and LAW DEBENTURE TRUST COMPANY)	
OF NEW YORK,)	
)	
Plaintiffs,)	
v.)	
)	Civil Action No. 04-1494 (JJF)
NORTHWESTERN CORPORATION,)	
)	
Defendant.)	
<hr/>		
MAGTEN ASSET MANAGEMENT CORP.,)	
)	
Plaintiff,)	
v.)	Civil Action No. 05-499 (JJF)
)	
MICHAEL J. HANSON and ERNIE J. KINDT,)	
)	
Defendants.)	
<hr/>		

MAGTEN ASSET MANAGEMENT CORPORATION'S RESPONSE TO MICHAEL J. HANSON AND ERNIE J. KINDT'S FIRST SET OF INTERROGATORIES

Pursuant to Rules 26 and 33 of the Federal Rules of Civil Procedure ("FRCP"), Magten Asset Management Corporation ("Magten") hereby objects and responds to Defendants Michael J. Hanson ("Hanson") and Ernie J. Kindt's ("Kindt") First Set of Interrogatories to Magten, dated February 28, 2007, served in the above captioned action (the "Interrogatories"), as follows.

Magten reserves (i) the right to object on any grounds (including but not limited to competence, relevance, materiality, privilege, confidentiality, authenticity or admissibility) to the use of these answers in any proceeding or in the trial of this or any other matter, (ii) the right to object to any other discovery concerning the subject matter of the Interrogatories, and (iii) the right but not the obligation (except as required by law or rule) to correct, revise, clarify, supplement or amend these answers and objections.

NorthWestern's confirmed chapter 11 Plan are a matter of public record and speak for themselves. The current market value of the shares being maintained in reserve for Disputed Claims varies depending on current market conditions.

INTERROGATORY NO. 22

Please state the amount of damages which you are seeking from Michael Hanson and describe with specificity how you arrived at that amount.

RESPONSE AND OBJECTIONS TO INTERROGATORY NO. 22

At present, Magten owns 1,098,431 QUIPS, each of which has a face value of \$25. Assuming currently accrued and unpaid dividends (through and including March 31, 2007) compounded into the principal, NorthWestern owes \$34.93 on account of each QUIP. Therefore, the total amount of compensatory damages owed with respect to Magten's current holdings as of March 31, 2007 is \$38,368,194.83, plus applicable pre-judgment interest on each missed dividend from the date it should have been paid and applicable pre-judgment interest on the principal from September 14, 2003. In addition, Magten is owed consequential and incidental damages, including but not limited to fees and expenses, in an amount it has not yet calculated. Magten is also owed punitive damages in an amount to be determined by the jury. In addition, there are other Non-Accepting QUIPS Holders that are entitled to damages calculated on the same basis, plus applicable pre-judgment interest and fees and expenses. Because Magten is asserting the rights of Montana Power Capital I, it seeks to recover damages on behalf of other Non-Accepting QUIPS Holders.

INTERROGATORY NO. 23

Please state the amount of damages which you are seeking from Ernie Kindt and describe with specificity how you arrived at that amount.

EXHIBIT J

MAGTEN ASSET MANAGEMENT CORPORATION

BUY / SELL

TRADE DATE: 7/21/03TOTAL POSITION: 25700SECURITY NAME: MAGTENPRICE: 5.9622COMMISSION: 6.4SETTLE. DATE: 7/24/03BROKER: ScotiabankBKR. CODE: ScotiabankBKR. NAME: ScotiabankTICKER: MTRGAMOUNT PRINCIPAL INTEREST SEC_FEE COMM NET TRANSACTION
REDACTED

ELEANOR	ELEANOR					
EMB KAMM	EMB KAMM					
EMBTRDOR	EMBTRDOR					
REDACTED	REDACTED					
MAGPART	MAGPART					
MAGTENGT	MAGTENGT					
MTE IRA	MTE IRA					
REDACTED	REDACTED					
OLIVER	OLIVER					
SEBONAC	SEBONAC					
TRE IRA	TRE IRA					
TRE PER	TRE PER					
TOTALS	TOTALS					

HIGHLY CONFIDENTIAL

AUTHORIZED SIGNATURE: ✓✓✓
Lauren
Breakdown & Credit

(BUY) SELL

MAGTEN ASSET MANAGEMENT CORPORATION

TRADE DATE: 12/12/03
TOTAL POSITION: 9,300SECURITY NAME: Market PowerPRICE: 15.60 in +
COMMISSION: —

HIGHLY CONFIDENTIAL

TO: Bed Hang
410-237-5888SETTLE. DATE: 12/16/03SECURITY NAME: Market Power
BROKER: Frank A. H.
BKR. NAME: A. H.TICKER: M233BKR. CODE: TRAD

AMOUNT PRINCIPAL INTEREST SEC. FEE COMM NET TRANSACTION

<u>11,300</u>	<u>67,090.00</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>67,080.00</u>	<u># 563917</u>
<u>1,000</u>	<u>15,600.00</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>15,600.00</u>	<u># 18</u>
<u>500</u>	<u>7,800.00</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>7,800.00</u>	<u># 19</u>
<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
<u>1,000</u>	<u>15,600.00</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>15,600.00</u>	<u># 563920</u>
<u>1,100</u>	<u>17,160.00</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>17,160.00</u>	<u># 563921</u>
<u>1,400</u>	<u>21,840.00</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>21,840.00</u>	<u># 563922</u>
<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
<u>145,080.00</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>145,080.00</u>	<u>—</u>

REDACTED

TOTALS